



POLICY AND RESOURCES COMMITTEE

Wednesday, 19 March 2025

REPORT TITLE:	ASSET STRATEGY
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The Council's current Asset Strategy was adopted in 2022, building on the previous asset strategy set in 2016. The strategy has an action for it to be reviewed after a period of two years.

Unprecedented demand for the Council's services, coupled with ongoing economic pressures nationally has meant that the Council has significant short to medium term fiscal challenges to deal with. Since the introduction of the strategy in 2022 the Council has also commenced introduction of the Corporate Landlord Model (CLM), which has refreshed the understanding of the Council's assets. Due to these factors the revision of the Asset Strategy is timely.

The strategy works alongside a range of legislation, directives, Council plans and Policies that enable the Council to manage and operate assets in a consistent way.

This asset strategy responds to all the thematic priorities set out in the Wirral Plan 2023 to 2027, which include:

- To deliver high quality efficient universal services to all residents
- To prioritise those with the greatest needs
- To deliver council services within the means of the council budget
- To be prepared to innovate and face the future
- To play our part in addressing the climate emergency and protecting our environment
- To work across communities with community, voluntary and faith organisations and partners to improve all residents' life chances
- To deliver our ambitious regeneration programme through increased investment, jobs and new businesses throughout the borough

A significant amount of work relating to the asset strategy has also been undertaken since 2022 and this is also highlighted in this report.

RECOMMENDATIONS

The Policy and Resources Committee is recommended to:

1. note the performance information contained in appendices 1 and 2 to this report; and
2. approve the revised Asset Strategy attached as appendix 3 of this report

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 On 09 November 2022 this Committee agreed the current asset strategy. The strategy has an action for it to be reviewed and this report seeks to achieve this.
- 1.2 Although the strategy agreed in 2022 has been successful, the strategic context has changed, in part due to the financial situation the Council now finds itself, but also due to the progress that has been made in delivery of the actions set out in the strategy. Therefore, irrespective of the timeline set out in the previous report it is appropriate for the strategy to be refreshed to reflect this change.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council has previously chosen to adopt and have an up to date Asset Strategy.
- 2.2 Not adopting a revised strategy would mean that the existing strategy would cease to be relevant to the changing situation the Council finds itself in and given most of the actions have been successfully delivered, the Council's approach to asset management would stagnate, lacking strategic direction.
- 2.3 The proposed strategy builds on the success of the asset strategy introduced in 2022, and the implementation amongst other things, the Corporate Landlord Model approach of managing assets.

3.0 BACKGROUND INFORMATION

- 3.1 The economic position the Council finds itself in has changed since adoption of this strategy, making it more challenging to operate as an organisation, whereby it faces an unprecedented demand for its services and its resources. Land and Property assets feed directly into the way the Council operates, and it also offers practical steps the Council can take to address its current financial position.
- 3.2 Many of the actions within the six key priorities set out in the Asset Strategy have been achieved or are in progress. It is important to reflect on the success and good progress that has been made since the implementation of the Asset Strategy in 2022.
- 3.3 Good work has been undertaken over the intervening period to deliver these priorities. More detail about how the Council has delivered the asset strategy is set out in appendix 1 with measurement of success set out in appendix 2. The priorities in the 2022 Strategy were:
 - Strategic delivery of the Asset Strategy;
 - Disposal Programme;
 - Strategic Management of Operational Assets;
 - Asset Transfer, Community Asset Transfer and Community Wealth Building;

- Using assets for the delivery of regeneration and housing; and
- Reduce the impact of the Estate and Services on the Environment.

- 3.4 Over the past 18 months a significant amount of work has been undertaken to strengthen work commenced as part of the strategy. Following implementation of the Corporate Property Board and appointment of the Assistant Director for Property, the management team in this area has been further strengthened and the onboarding of assets into the Corporate Landlord Model (CLM) has been commenced, with the first phase Adult Services onboarded in early 2025.
- 3.5 Work has also progressed on the delivery of a five year disposals plan, and in July 2023 this Committee agreed a list of assets for disposal. This has been subsequently progressed to support the requirements of previous capitalisation directives, with an anticipated delivery of the required sum in the financial year of 2024/5, ahead of schedule.
- 3.6 As part of changing the way the Council manages its land and property assets, a comprehensive inspection of the Council's operational assets has been undertaken. Due to the number, nature and complexity of assets this has been a significant activity undertaken in 2024. This has seen service users, corporate Health and Safety and the Asset Management service working closely together to deliver positive outcomes from these inspections. This has revealed the general condition of the estate, informing next steps on an asset by asset basis and allowing the baseline for future strategic decisions and operational management of the assets.
- 3.7 Community Asset Transfer has progressed over the past two years, revealing some challenging issues associated with this process. The Council has also taken significant steps to deliver regeneration in the borough. This has had a direct impact on the land and property it owns. The steps it has taken are as follows:
- The Council has acquired the Grange and Pyramids Shopping Centre with the strategic intent of regenerating the town centre of Birkenhead;
 - The Council is also supporting the Council's brownfield first local plan, by contributing brownfield assets, aligned to the plan, for development;
 - Decisions around Wirral Waters have seen the Council take an active part in supporting that development through the delivery of Miller's Quay.
- 3.8 Significant work has been undertaken around reducing the impact of the estate and services on the environment. Progress has been made over the last two years with an in-house energy efficiency programme targeting emissions reduction from leisure estate and the successful application to the Public Sector Decarbonisation Scheme (PSDS) securing £900k to decarbonise Landican Cemetery and Wirral Country Park. It is recognised that continued transformation is required across the estate, however if the Council is to take advantage of the limited grant funding opportunities such as PSDS, it must be acknowledged that capital match funding is required. Investment in decarbonising the estate will not only enable the Council to continue its progress towards its carbon reduction targets but has the added benefit of reducing the long term financial risk and improves the Council's energy security in an increasingly competitive global market.

- 3.9 The Council now has a robust plan in place for most of its office functions due to two strategic property decisions. It has chosen to deliver the Birkenhead Commercial District in the centre of Birkenhead. This comprises of the Mallory and Irvine Buildings and the decision was taken to enable the delivery of footfall in the town centre as part of the Council's wider plans to regenerate the Borough's main town. Subsequently the Council has exited out of most of the Cheshire Lines Building, taking three floors and part of the ground floor of Mallory in 2024. This was a significant piece of work, which was successfully delivered relocating back-office functions into the building and driving organisational change. Following this, work is ongoing regarding rationalising the Council's office portfolio including release of the Hamilton and Conway buildings and also progressing work around other back office assets. This Committee has also agreed to re-activating Wallasey Town Hall. This building will focus on delivery of the democratic function and some front facing and other services.
- 3.10 The Council's customer experience strategy is along with the asset strategy one of five strategies that underpin the delivery of the Council's plan. As this work develops it will have implications for the Council's customer facing assets.
- 3.11 The revised Asset Strategy sets four priorities, which are set out below. This is a change from the existing six priorities, so the corporate landlord can focus delivery of a compliant, safe and sustainable future estate and assisting the delivery of other services in achieving their aims and objectives.

Priority One - Delivery of the future Estate: This priority builds on the work delivered as part of the Asset Strategy implemented in 2022. It recognises the need to generate efficiencies and the need to invest in the retained estate. As part of this work there are a number of key actions and activities that need to be delivered to achieve this priority, although not all this activity will be completed in the lifetime of this plan, due to the long-term and strategic nature of some of these elements of work.

Priority Two - Provide a Safe, Compliant and Efficient Estate: This priority principally focuses on managing the asset portfolio well. It is reasonable for residents, members, officers and the Council's partners to expect that the Council operates its asset portfolio in a safe, compliant and efficient way.

Priority Three – Delivery of a Sustainable Estate and Services: The delivery of a sustainable estate is achieved through efficient management of our retained assets and strategically shaping the future estate into the long term; consideration of the environmental impact Council assets have through their lifecycle is an important part of asset review and planning e.g. condition, fabric, use, location, consumption etc. must form part of the decision-making process. Due to the importance of addressing the climate emergency, this priority must be part of the Council's overall strategy for its assets, but also reaches beyond simple decarbonisation of the estate.

Priority Four - Supporting services in the delivery of their activities: A large part of what the Asset Management Service does is provide support to other sections and departments within the Council, providing advice and guidance on property matters. Although this work is very broad and cross cutting, spanning all services of

the Council, the most significant area at present is the delivery of the Council's regeneration plans and aiding the Council deliver the local plan.

- 3.12 The Council will look to develop and combine its acquisition policy and its disposal policy. Therefore, a future piece of work will be to develop the policy in these areas. As an interim measure outline acquisition policy is referenced in this strategy. This revised acquisition and disposal policy will also demonstrate the linkages between Community Asset Transfer policy and other disposal of land, allowing for greater clarity on the overall process for disposal, by whatever route the Council chooses. It will also clearly state the requirement of the council to achieve value for money in its transactions and set out clearly the concepts of Best Consideration and Best Value.
- 3.13 Schools are managed separately to the balance of the Council's land and property, with devolved responsibilities to schools where they are still maintained by the Council.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Delivery of the asset strategy has directly supported the operation of the Council by delivery of capital receipts to support previous capitalisation directives and it is anticipated that similar work will need to be undertaken in future years.
- 4.2 The adoption of the strategy will ensure that the assets owned by the council are managed in the most efficient and fiscally sound way, including maximising the income and Capital Receipts from its estate and that the estate is right sized and invested in. This approach is critical in the current financial situation and to support the Council's policies.

5.0 LEGAL IMPLICATIONS

- 5.1 Approval of this strategy is the responsibility of this Committee because it has within the scope of its terms of reference, amongst other matters, "undertaking responsibility for developing and monitoring the enabling corporate services including... property and asset management."
- 5.2 The Council has power pursuant to Section 120(1) of the Local Government Act 1972 under any function of the local government Act 1972 or any other enactment, for) the benefit, improvement or development of their area, to acquire by agreement any land, whether situated inside or outside their area.
- 5.3 The general power for the Council to dispose of land is section 123 of the Local Government Act 1972 which the Council the power to dispose of land held by it in any manner it wishes provided that the local authority achieves the best consideration that can reasonably be obtained except where the disposal is for a short tenancy (the grant of a term not exceeding seven years or the assignment of a term which has not more than seven years to run) or the local authority has the consent of the Secretary of State.
- 5.4 The Secretary of State has issued a general consent for disposals of land under section 123 for less than best consideration. This allows a local authority to dispose of land for less than best consideration if it considers that the disposal will contribute

to the promotion or improvement of the economic, social or environmental well-being of its area and the extent of the undervalue is no more than £2m. This consent can be very useful for regeneration initiatives or other projects which will be of benefit to the local area.

- 5.5 There are requirements in relation to assets of community value under the Localism Act 2011. An asset of community value is land that the Council considers has community value on the basis that the primary current use of the land furthers the social well-being or social interests of the local community or that it has in the past and it is realistic to think it could do again within the next five years. The Council is obliged to maintain a list of assets of community value in their area. If the Council is disposing of land which is on the list, it will be obliged to notify of its intention to dispose of the asset. This will ensure that community interest groups are aware of the proposed disposal and can bid if they wish to do so. Moratorium periods are then imposed on the disposal to enable community groups to have sufficient time to bid and raise the necessary funds.
- 5.6 If there is a community building which a community group would like to acquire, this could be done through a community asset transfer which is a mechanism used to enable community ownership and management either through the transfer of land or a long lease from the Council. This is a voluntary process separate from the process for assets of community value and expressions could be made at any time, not just when the Council is considering disposing of that land.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The adoption, or not, of an asset strategy will have implications for ICT, workforce and assets. It is anticipated that the delivery of the four objectives set out in this report will have positive implications for the council in these areas, for example improved accommodation for the workforce. There may be a need to grow or contract certain elements of the workforce as the shape of the estate changes over time. The detail of any resource implications would need to be considered on a case by case basis. It is clear that if the Council designs its estate to fit the services it wishes to deliver, invests in the fabric of that estate, ensures safety and compliance and decarbonises the estate that this will have a positive effect.

7.0 RELEVANT RISKS

- 7.1 There are a number of risks associated with the delivery or not of an asset strategy and these are set out below.
- 7.2 The Council is currently facing unprecedented financial challenges and also seeking to transform the way assets are managed. Providing focus on doing few things well will ensure that the Asset Strategy is achieved within the limited resourcing that the Council has at its disposal.
- 7.3 Although the priorities are aligned within the Asset Strategy there is a risk that they could be in conflict with each other when considering a specific matter, however the Corporate Property Board and the Council's decision making process has ample ability to manage and mitigate this risk.

- 7.4 Not adopting an asset strategy would be impactful in terms of provision of a policy context for decision making, risking an inconsistent approach to managing land and property assets.
- 7.5 Choosing to retain the existing strategy, although successful, risks stagnation of the Council's approach to its assets.
- 7.6 The Asset Management Service is the key component to driving the Asset Strategy, however it is dependant on supporting services to deliver specific elements needed to practically implement the strategy: this includes Legal, Procurement, Corporate Health and Safety and, Energy services as an example. Lack of resource over these areas will hinder the impact the deliverability of the strategy, or force the Council to adopt an approach of seeking these areas of expertise outside the organisation if they are not available internally.
- 7.7 Not having workforce with the right qualifications, skills and experience will also risk the strategy. A mitigation to this is to create an action in the strategy around development.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 There are no elements in the Asset Strategy that require engagement and consultation. The Asset Strategy sets out that its approach to partners, for example one public estate will remain the same. Engagement and consultation for any asset management matter would be considered at the time on a case by case basis.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity. Equality implications for any asset management matter would be considered at the time on a case by case basis.

10.0 ENVIRONMENT, BIODIVERSITY AND CLIMATE CHANGE IMPLICATIONS

- 10.1 The environment, biodiversity and climate change implications are set out in the report. Building on the work achieved as a result of the previous asset strategy, priority three, delivery of a sustainable estate and services, broadens the requirement under the strategy to deliver in this area. The strategy sets the conditions for the council to continue to decarbonise its estate, although delivery of that work is dependant on PSDS funding to achieve the ambition the Council has. Releasing of assets from the estate will also aid the Council in meeting its ambitions.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The asset strategy is aligned to the three strategic objectives of the Community wealth Policy. It will help with the financial resilience of the Council, enabling services to be sure footed in the delivery of their services to the Community.

Enablement of regeneration, environmental change and delivery of the local plan will help grow the community wealth of the borough. Achieving and striving towards the Council's future estate will in partnership with partners and services in the Council provide stability of offer to both workforce and the community.

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APPENDICES

Appendix 1 – How we have delivered the strategy 2022 - 2025

Appendix 2 – Measuring Success

Appendix 3 – Asset Strategy

BACKGROUND PAPERS

Wirral Working Together: A Council Plan for 2023 to 2027

Asset Strategy 2022 -2027

TERMS OF REFERENCE

This report is being considered by the P&R Committee in accordance with sections a, b and f of its Terms of Reference

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee, Item 7, Asset Strategy 2022 -2027	09 November 2022